



CALIFORNIA ENERGY COMMISSION

BUSINESS PARTICIPATION PROGRAMS

Business Participation Programs

- ∩ The Energy Commission is requiring the following programs be included in this solicitation
- ∩ DVBE
- ∩ Small/Micro Business
- ∩ Non-Small Business
- ∩ Non-Profit Veteran Service Agencies

Business Participation Programs

- ⌚ TACPA (Target Area Contract Preference Act)
- ⌚ EZA (Enterprise Zone Act)
- ⌚ LAMBRA (Local Agency Military Base Recovery Area Act)



DGS, OFFICE OF PROCUREMENT

**These participation programs are managed by the
Dept of General Services, Office of Procurement.**

Office of Small Business & DVBE Services

916/375-4940

www.pd.dgs.ca.gov

DGS Procurement Address

⌚ Physical Location:

⌚ 707 Third Street, 1st Floor, Room 400

⌚ (Ziggurat Building)

⌚ West Sacramento, CA 95605

⌚ Mailing Address: P.O. Box 989052,

⌚ West Sacramento, CA 95798-9052



YOU MAY NOW QUALIFY

**Your company may now qualify as a
Certified Small Business:**

- 1. Principal Office located in California.**
- 2. Officers domiciled in California.**
- 3. Business is independently owned and
operated.**

Small Business Criteria, continued

4. Business, with any affiliates, is not dominate in field of operation.

5. Either:

a: Business, with affiliates has 100 or fewer employees and average annual gross receipts of \$10,000,000

(ten million) over previous three years, *OR*



Small Business Criteria (continued)

**B. Business is a manufacturer with 100
or fewer employees.**



CERTIFICATION

A business must be formally certified by the Office of Small Business to be considered for the small business preference.



BENEFITS OF SMALL BUSINESS CERT.

A certified small business is entitled to claim a 5% preference in bidding on state contracts.

**Greater late penalties on payments
(see next page)**



PROMPT PAYMENT ACT

Prompt Payment Act applies to both small and non-small businesses. However, the penalty calculation differs for small businesses.

Penalty is calculated at 0.25 percent of the amount outstanding per calendar day from the required payment date.



S.O.S. PROGRAM

Subscription Outreach Service

Free Service

Notifies you of state contracting

Opportunities in your area of expertise the day they're published by the State Contracts Register.

Matches ads to your company profile

NON-SMALL BUSINESS PREFERENCE

- ⌚ Government Code 14838 (b) (1) (2) now provides for a non-small business preference.
- ⌚ The preference to a non-small business bidder that commits to small business or microbusiness subcontractor participation of 25% of its net bid price shall be 5% of the highest responsive, responsible bidder's score.

Non-Small Business Preference

- ⌚ A non-small business which qualifies for this preference may not take an award away from a certified small business.
- ⌚ The small business regulations are located at 2 CCR 1896.

DISABLED VETERAN BUSINESS ENTERPRISE REQUIREMENTS

⌚ This solicitation requires participation in the Disabled Veteran Business Enterprise Program. State agencies have a DVBE goal of 3% of their annual contract dollars go to certified DVBE's.



MEETING DVBE REQUIREMENTS

There are two ways to meet the requirements.

- 1) Commit to full DVBE participation; or**
- 2) Document a good faith effort.**

DVBE REQUIREMENTS

1. COMMIT TO FULL DVBE PARTICIPATION

- Decide what portion of the contract can best be performed by a DVBE. Think broadly about all the goods and services needed to complete the contract. There are hundreds of DVBEs who provide a wide range of goods and services.

DVBE REQUIREMENTS

- ⌚ Don't predetermine that no DVBEs are able to perform without first contacting and soliciting participation from them. This allows the DVBEs to respond whether they can or cannot provide any goods or perform services related to the solicitation, and provides you with responses for consideration.

DVBE REQUIREMENTS

⌚ COMMERCIALLY USEFUL FUNCTION

- ⌚ The California Code of Regulations state that the DVBEs and Small Businesses you choose to subcontract with must perform a “commercially useful function” in the contract.

DVBE REQUIREMENTS

- ⌚ A DVBE subcontractor or supplier is considered to be commercially useful when: 1) The business concern is responsible for the execution of a distinct element of the work of the contract; carrying out its obligation by actually performing, managing, or supervising the work involved, and performing work that is normal for its business services and function. AND.....

DVBE REQUIREMENTS


- 2) The business concern is not further subcontracting a greater portion of the work than would be expected by normal industry practices.

DVBE REQUIREMENTS

- 1. **OPTION A: Finding a DVBE to Perform 3% of the work specified in the contract.**
- Fill in Compliance Section A on page 6 of Attachment A of your RFP.**

DVBE REQUIREMENTS

∩ GOOD FAITH EFFORT

- ∩ 1. Contact the awarding department's contracting official.
- ∩ 2. Contact other state and federal agencies, and local DVBE organizations 
- ∩ 3. Advertise in one trade paper and one focus paper. Advertisement must appear 14 calendar days before bid date (March 3, 2005)
- ∩ (continued)



DVBE REQUIREMENTS

- ⌚ 4. Invite potential DVBE contractors to bid.
- ⌚ 5. Consider Available DVBEs.

NON-PROFIT VETERAN SERVICE AGENCY

- ⌚ As of 1/1/05 a new provision to Military & Veterans Code 999.50 created the "Non-profit Veteran Service Agency".
- ⌚ Definition – A community-based organization, nonprofit, and whose principle purpose is to provide housing, substance abuse, case management, employment training to low-income veterans and their families.

Nonprofit Veteran Service Agency

- ⌚ Intent: To encourage state and local government to purchase goods manufactured by, or services provided by NVSA “when feasible” and “reasonably convenient”.
- ⌚ Treated like a Small/Micro business, not exempt from competitive bidding rules
- ⌚ Gets 5% bid preference

Nonprofit Veteran Service Agency

- ⌚ Goods/services meet specification/needs of government
- ⌚ Goods/services purchased at a fair and reasonable price
- ⌚ Veterans must provide “not less than 75% of the direct labor required to produce the goods or furnish the services”; and

Nonprofit Veteran Service Agency

- ⌚ **Complies with applicable labor laws and provides specified benefits**
- ⌚ **Note: Ceasing benefits is grounds for contract termination and debarment for 2 years.**

TACPA

- ⌚ Target Area Contract Preference Act
- ⌚ TACPA preferences apply to goods and services that meet specific criteria.
- ⌚ \$100,000 or more contract amount
- ⌚ Excluded contracts: Construction contracts and contracts with a designated work site
- ⌚ Geographic areas: Distressed areas as specified by the Office of Planning & Research

EZA

- ⌚ Enterprise Zone Act
- ⌚ Same criteria as TACPA except:
- ⌚ Geographic Areas: Enterprise Zones as specified by the Trade and Commerce Agency

LAMBRA

- ⌚ **Local Agency Military Base Recovery Act**
- ⌚ **Same criteria as TACPA and EZA except:**
- ⌚ **Geographic Areas: Work site(s) must be located in a Local Agency Military Base Recovery Area as specified by Trade and Commerce Agency**



CONTACT INFORMATION

⌚ Please contact me for any questions you may have. I can be reached at:

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⌚ California Energy Commission